

Message Text

CONFIDENTIAL

PAGE 01 KUALA 01586 240736Z

ACTION EB-08

INFO OCT-01 EA-10 IO-13 ISO-00 L-03 FRB-03 OMB-01

ITC-01 SP-02 USIA-06 AGRE-00 AID-05 CIAE-00

COME-00 INR-10 LAB-04 NSAE-00 OIC-02 SIL-01

STR-07 TRSE-00 CEA-01 SS-15 /093 W

-----012548 241431Z /43

R 240646Z FEB 78

FM AMEMBASSY KUALA LUMPUR

TO SECSTATE WASHDC 2574

INFO USMISSION GENEVA

C O N F I D E N T I A L KUALA LUMPUR 1586

E.O.11652: GDS

TAGS: UNCTAD, ETRD, MY

SUBJECT: UNCTAD THIRD PREPATORY MEETING ON RUBBER FEB 27 - MARCH

3

REF: STATE 44156

1. THE GOM OFFICIALS MOST DIRECTLY INVOLVED WITH THE UNCTAD RUBBER NEGOTIATIONS HAD ALREADY LEFT FOR GENEVA AND, THEREFORE, WERE NOT AVAILABLE TO BE INFORMED RE U.S. WILLINGNESS TO NEGOTIATE A PRICE STABILIZATION AGREEMENT ON NATURAL RUBBER. ACCORDINGLY, THE ECONOMIC COUNSELOR AND ECONOMIC OFFICER CALLED ON GOM DEPUTY MINISTER OF PRIMARY INDUSTRIES, PAUL LEONG. LEONG SAID THAT THE GOM WILL BE HAPPY WITH THIS DEVELOPMENT. HOWEVER, HE EXPRESSED HIS OWN PRIVATE RESERVATIONS. HE SAID BEFORE THE U.S. JOINED THE INTERNATIONAL TIN AGREEMENT HE WOULD HAVE BEEN VERY HAPPY, BUT NOW HE WASN'T SO SURE. ACCORDING TO LEONG HE WAS THE FIRST MALAYSIAN POLITICIAN TO PUBLICLY PRAISE THE U.S. ENTRY INTO THE INTERNATIONAL TIN COUNCIL BUT HE HAD LATER REGRETTEED THIS AFTER OBSERVING THE U.S. POSITION IN THE COUNCIL.

WHEN THE ECONOMIC COUNSELOR PRESENTED THE POINTS MADE IN REFTTEL TO LEONG HE TOOK IMMEDIATE ISSUE TO ANY QUESTIONING OF
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 KUALA 01586 240736Z

PRODUCERS' EXPORT TAXES AS A LEGITIMATE AREA OF CONCERN TO CONSUMERS. THE ECONOMIC COUNSELOR POINTED OUT THAT IF PRODUCING COUNTRIES WANTED THE FLOOR PRICE IN ANY AGREEMENT TO INCLUDE TAXES AS A COMPONENT OF THE COST OF PRODUCTION THEN EXPORT TAXES WOULD HAVE TO BE A SUBJECT OF DISUCSSION AMONG THE PARTIES. LEONG THEN ARGUED THAT THESE TAXES WERE A MATTER OF NATIONAL SOVEREIGNTY.

3. IN CONTRAST TO LEONG'S PERSONAL REACTION THE ACTING SECRETARY GENERAL OF THE ASSOCIATION OF NATIONAL RUBBER PRODUCING COUNTRIES (ANRPC), SYED ABDUL JAABAR WAS QUITE EXCITED BY THE INFORMATION AND SAID IT WAS A MAJOR BREAKTHROUGH FOR THE PRODUCING COUNTRIES. JAABAR FELT THAT THE U.S. PROPOSAL ON THE SCHEDULING OF THE NEGOTIATIONS IS A VERY REASONABLE STANCE.

4. COMMENT: WE ARE CONFIDENT THAT THE GOM WELCOMES THE U.S. AGREEMENT TO NEGOTIATE A NATURAL RUBBER PRICE STABILIZATION SCHEME AND THAT ITS REAL REACTION IS MORE LIKE THAT EXPRESSED BY SYED ABDUL JAABAR THAN THAT OF LEONG. IT SHOULD BE POINTED OUT THAT LEONG'S CONSTITUENCY IS IN THE HEART OF THE TIN MINING REGION AND IS A PRIMARILY CHINESE TIN MINING COMMUNITY. MOST OF OUR OTHER CONTACTS INDICATE THAT RUBBER IS OF FAR GREATER IMPORTANCE TO MALAYSIA THAN TIN FOR BOTH ECONOMIC AND POLITICAL REASONS.

MILLER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: RUBBER, MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 24 feb 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978KUALA01586
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780086-0343
Format: TEL
From: KUALA LUMPUR
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780217/aaaaaojh.tel
Line Count: 80
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 03d138d0-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 STATE 44156
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 02 jun 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3489939
Secure: OPEN
Status: NATIVE
Subject: UNCTAD THIRD PREPATORY MEETING ON RUBBER FEB 27 - MARCH 3
TAGS: ETRD, OCON, MY, UNCTAD
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/03d138d0-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014